



# Funding Considerations

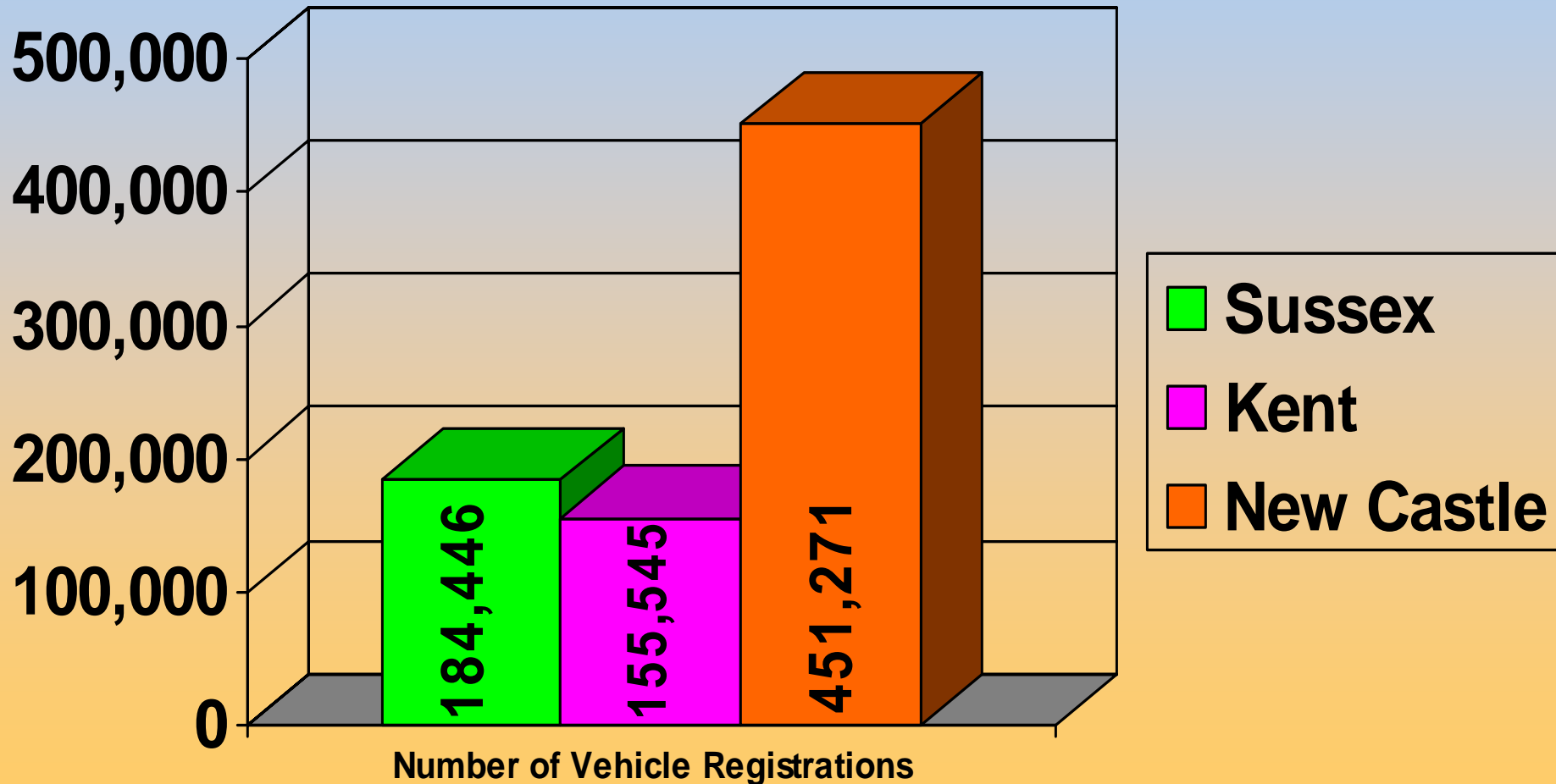
Robert L. Stickels  
County Administrator

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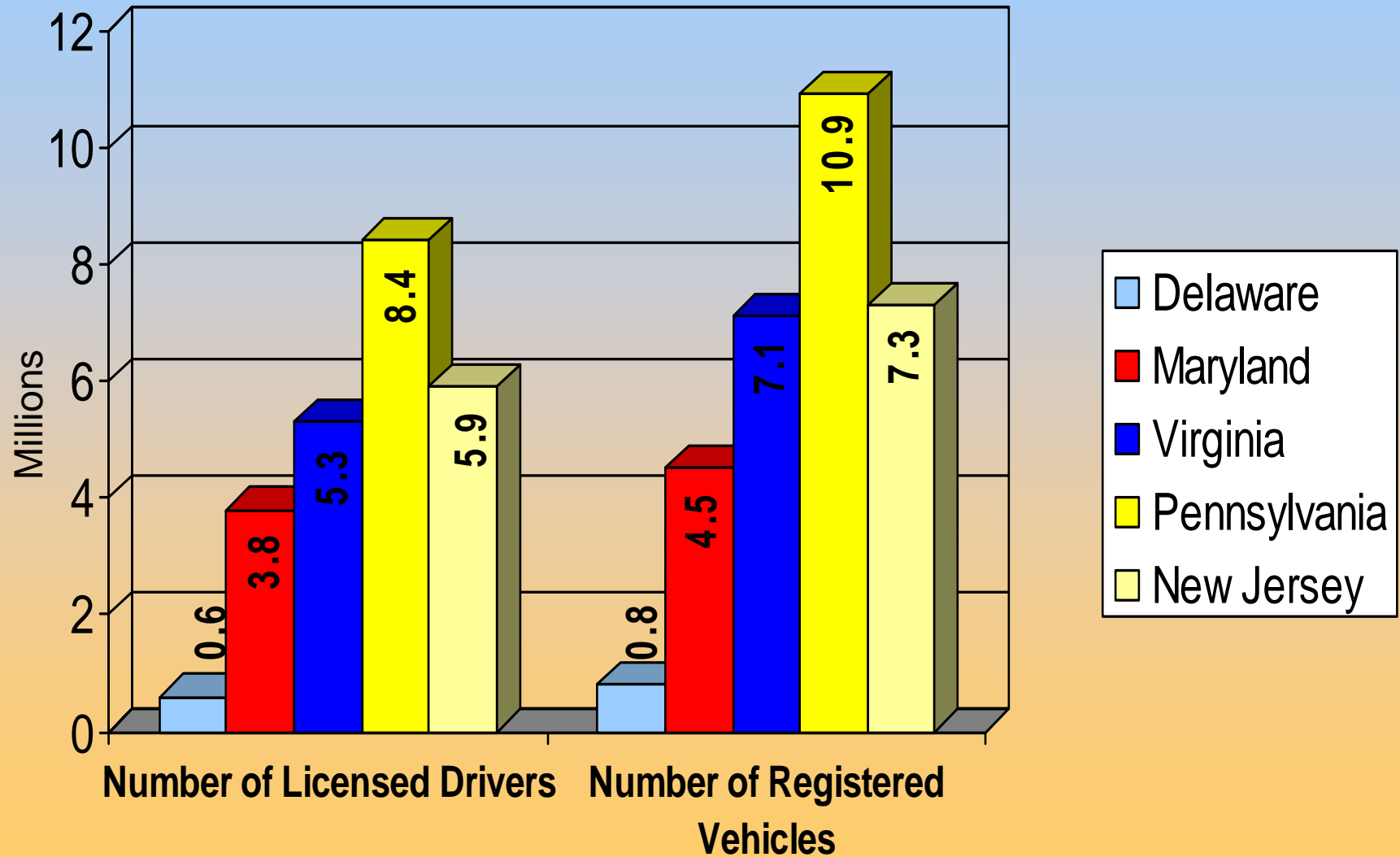
Monday, September 26, 2005

# Delaware Vehicle Registrations

## By County

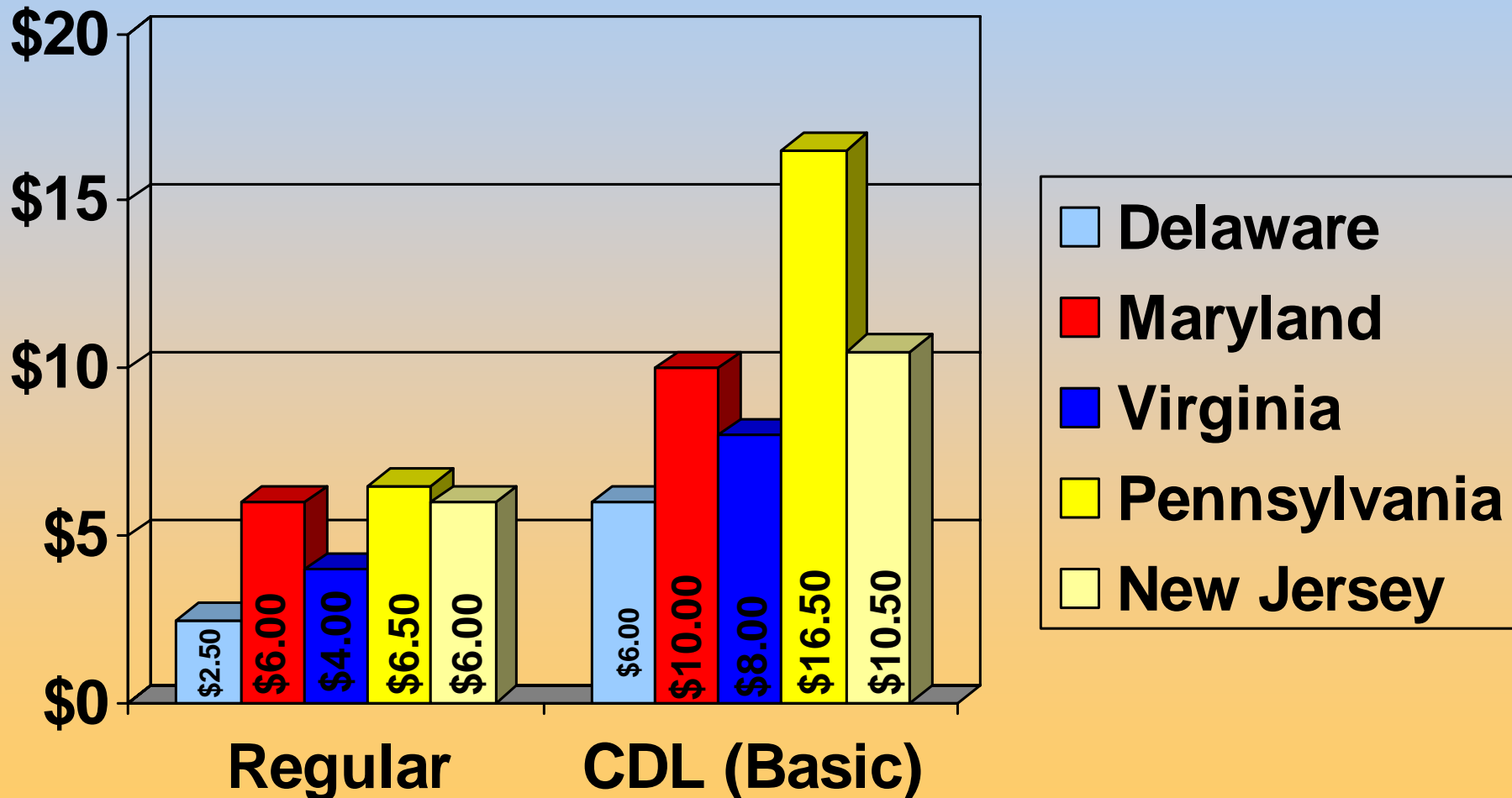


# License & Registration Figures

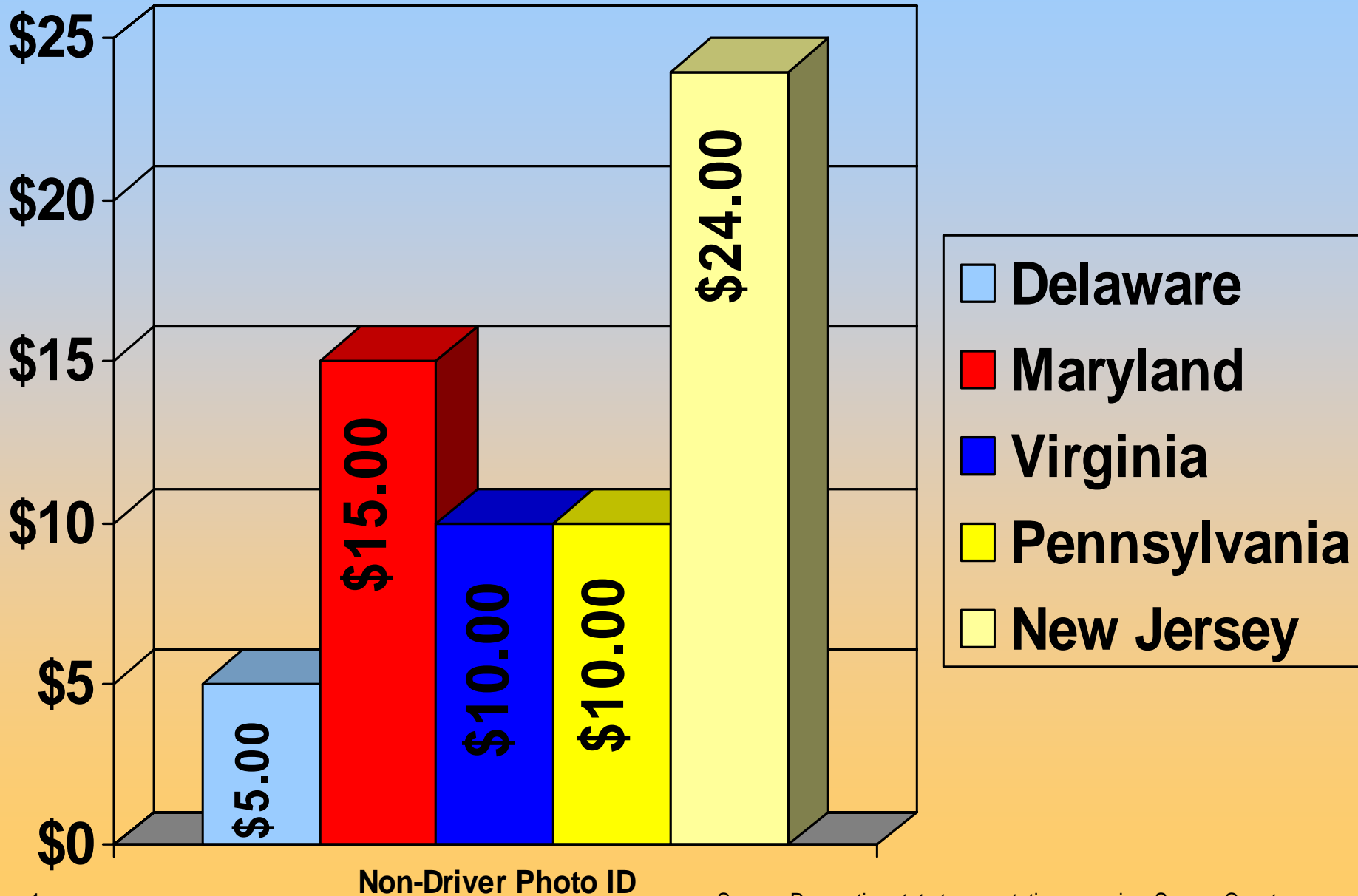


# Drivers License Fees

## Renewal Cost Per Year

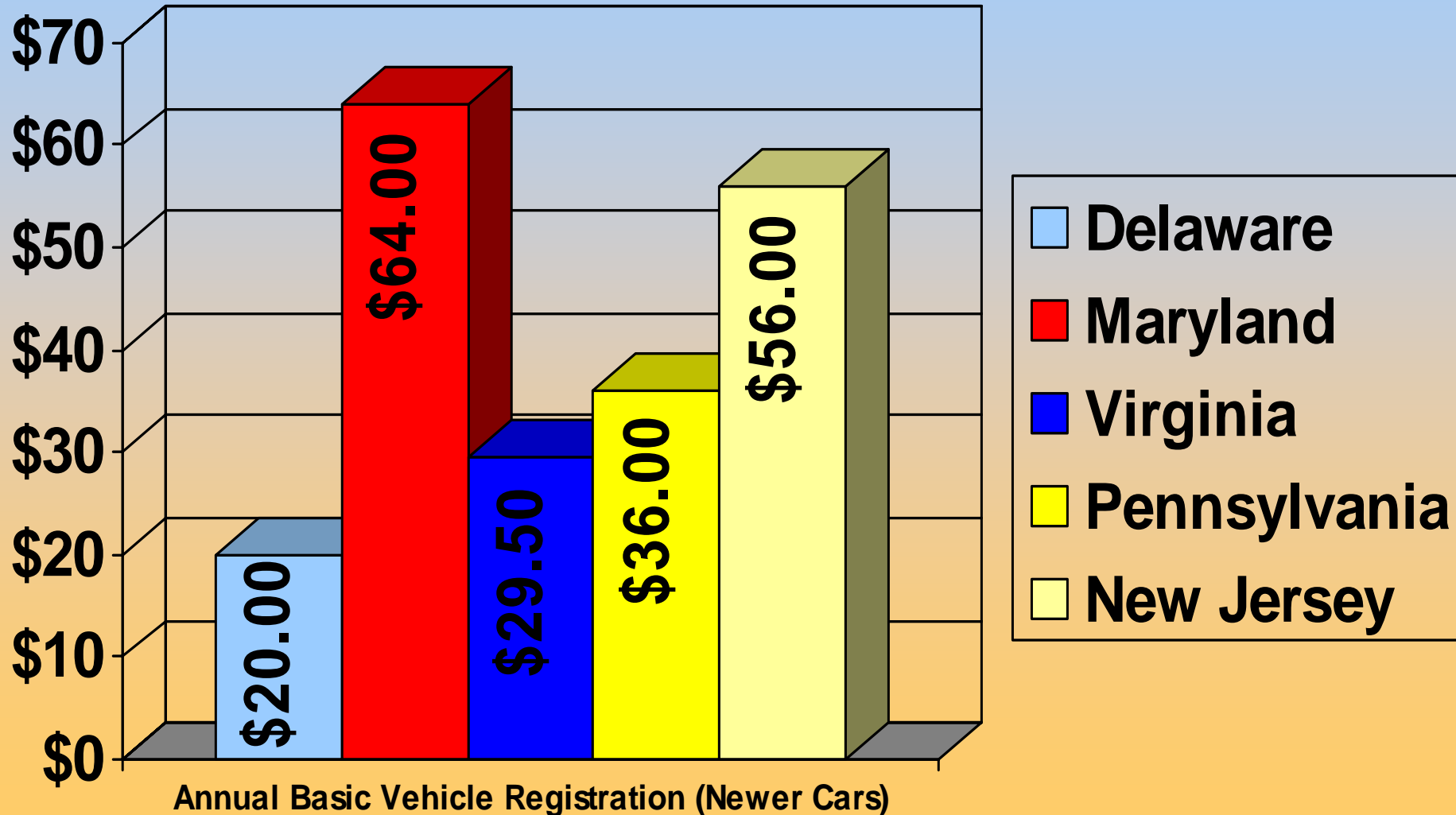


# Photo ID Cards



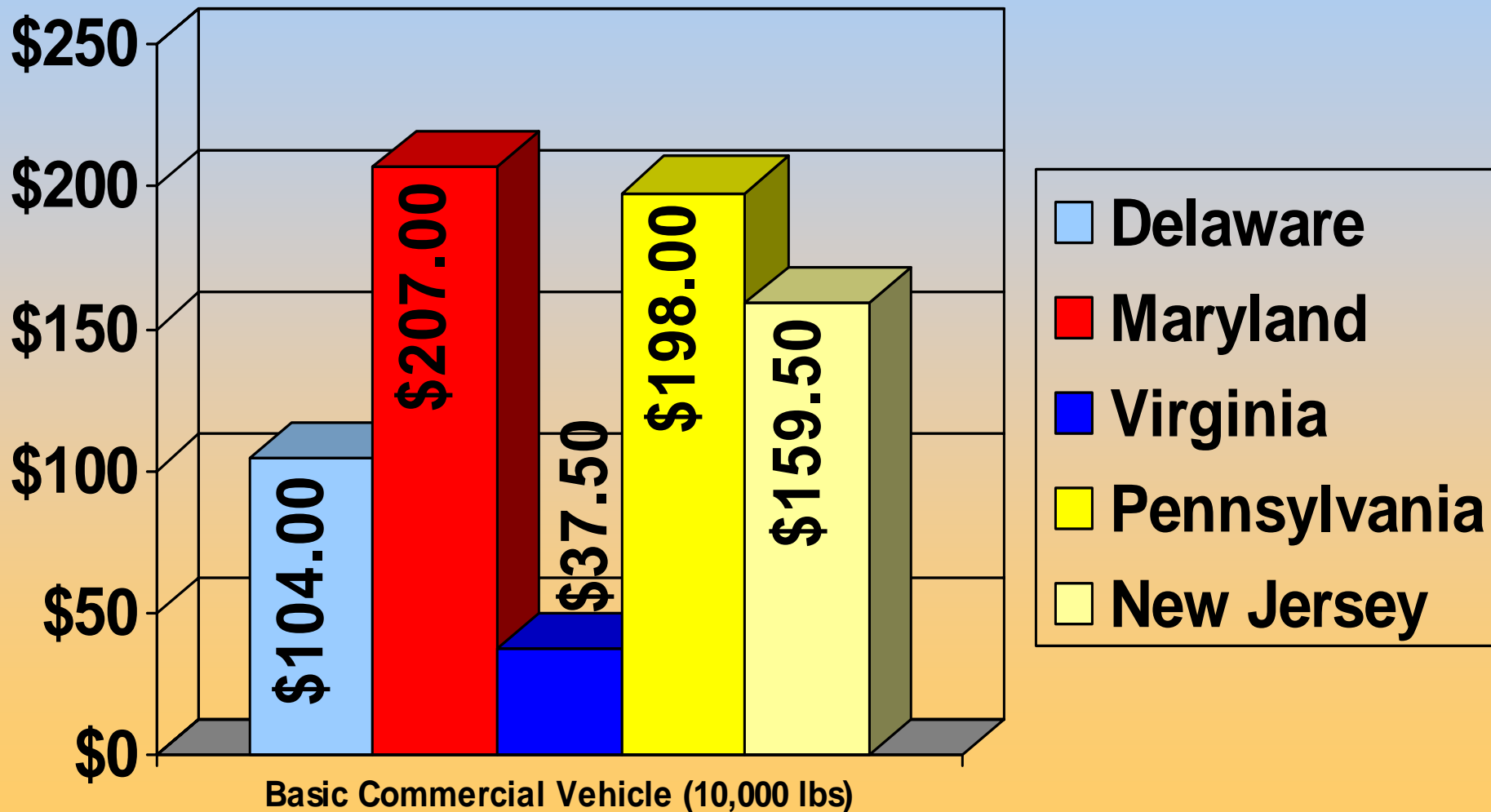
# Vehicle Registration

## Cost Per Year



# Commercial Registration

## Cost Per Year

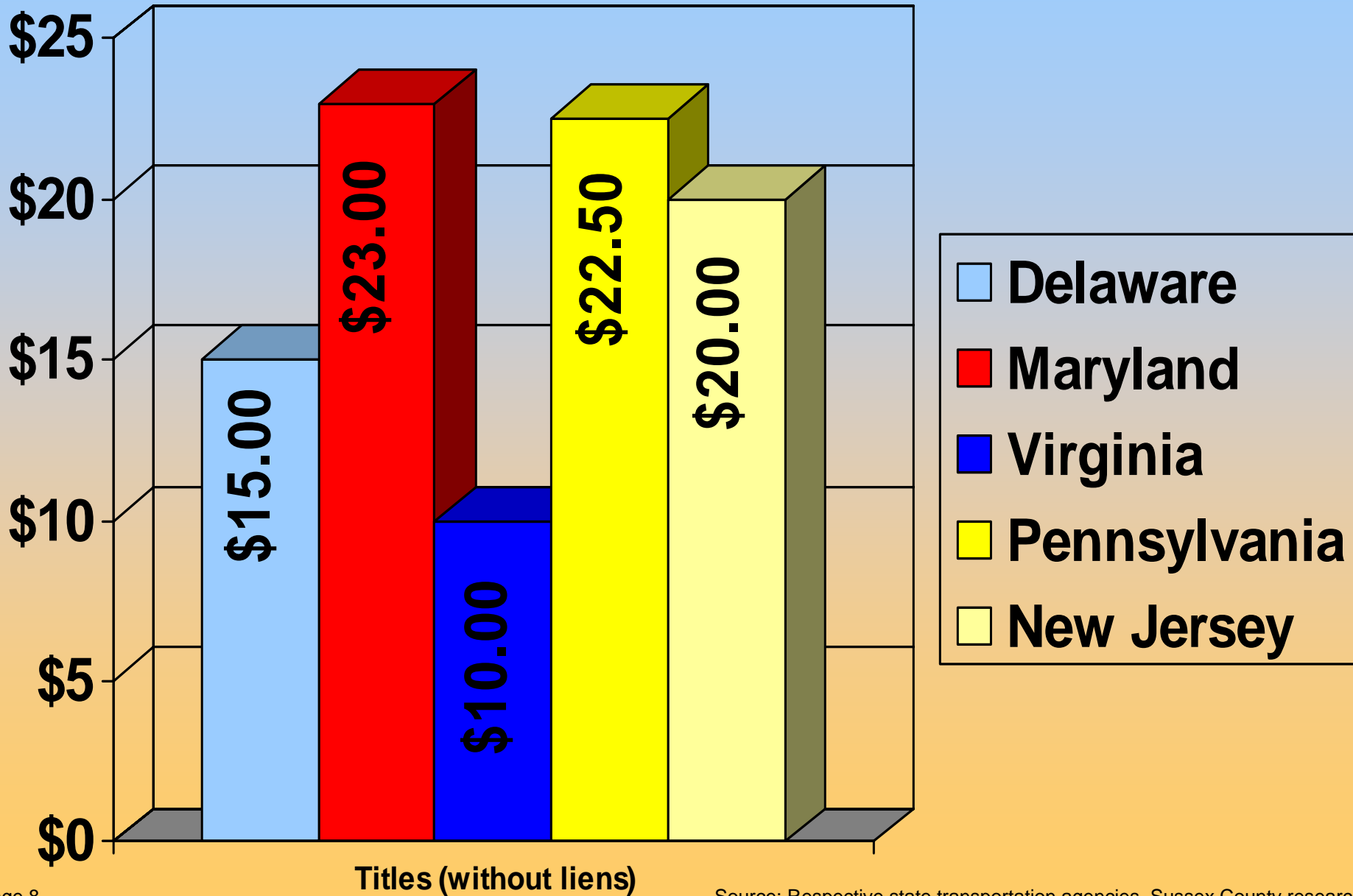


# Vehicle Inspection Fees

- Delaware does not charge an inspection fee
  - Maryland
    - \$50 avg. (Safety Inspection from certified/licensed inspector)
    - \$14 (Emissions Test)
  - Virginia
    - \$15 (Safety Inspection)
    - \$2 (Emissions test in some counties and certain municipalities)
  - New Jersey
    - No cost for Inspection at a state center
    - Private Inspection Stations can charge fees
  - Pennsylvania
    - \$20 avg. (Safety Inspection from certified/licensed inspector)
    - Emissions tests in various jurisdictions \$40 (25 Jurisdictions)

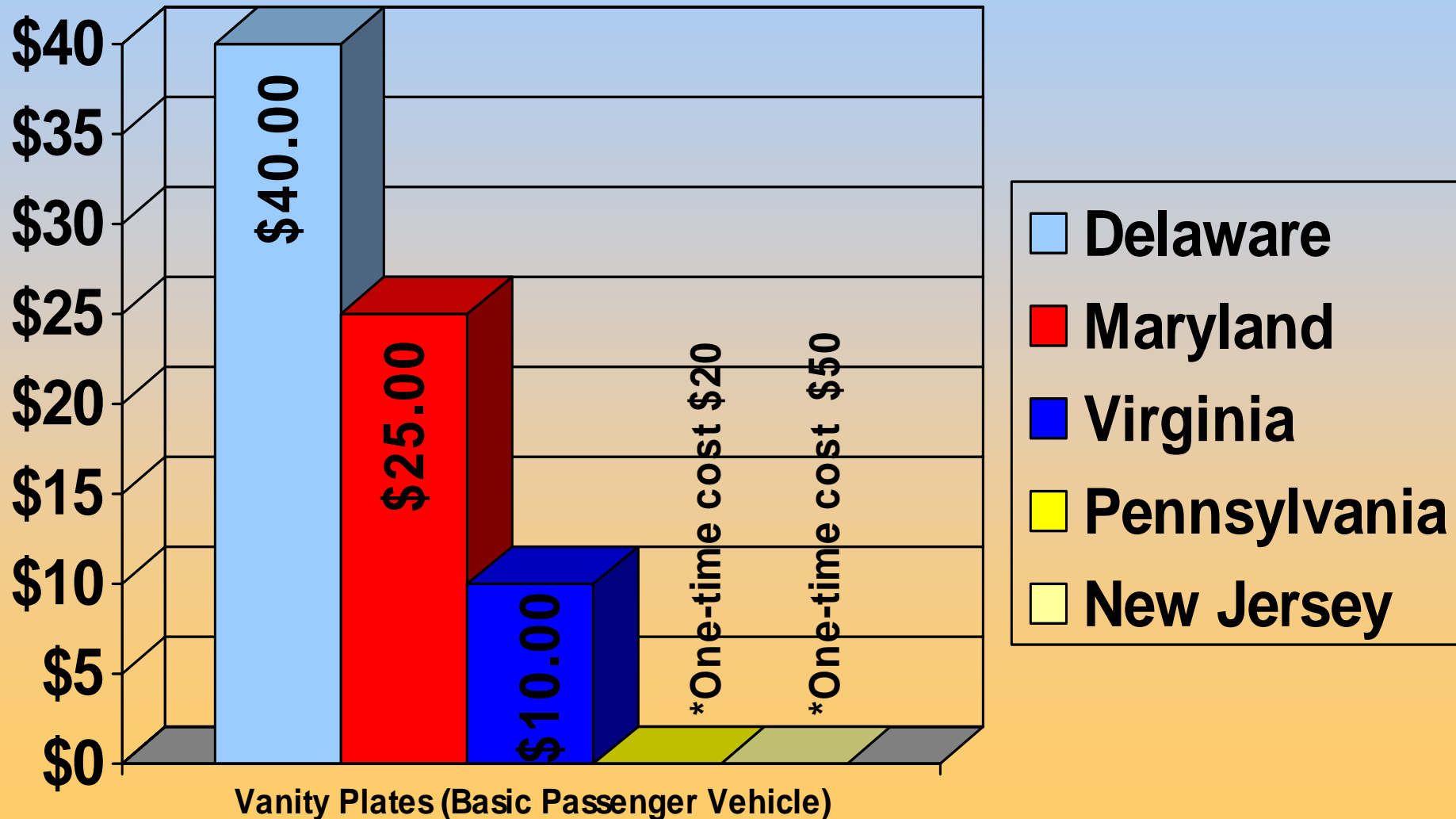


# Vehicle Titles

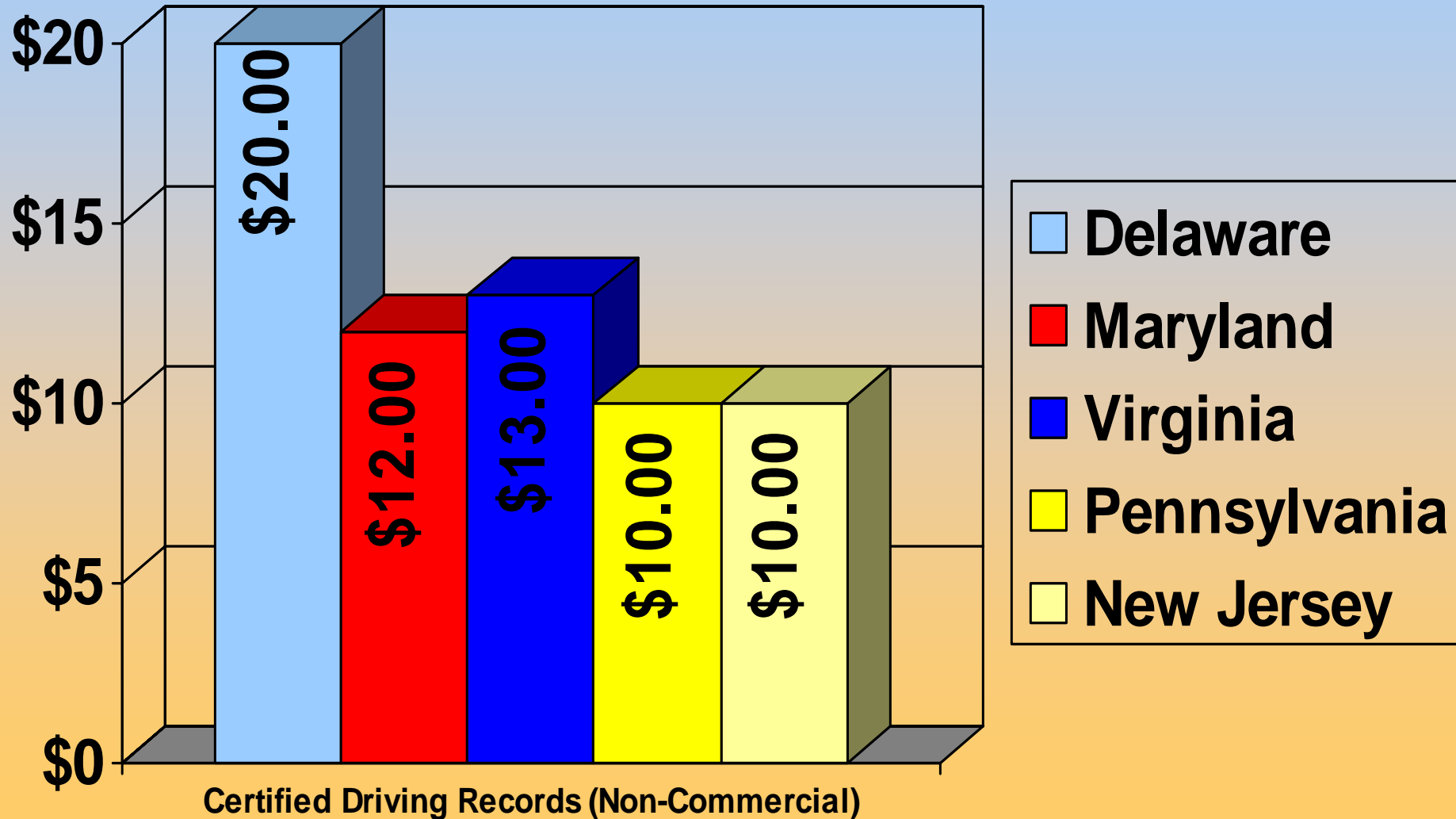


# Vanity Plates

## Cost Per Year

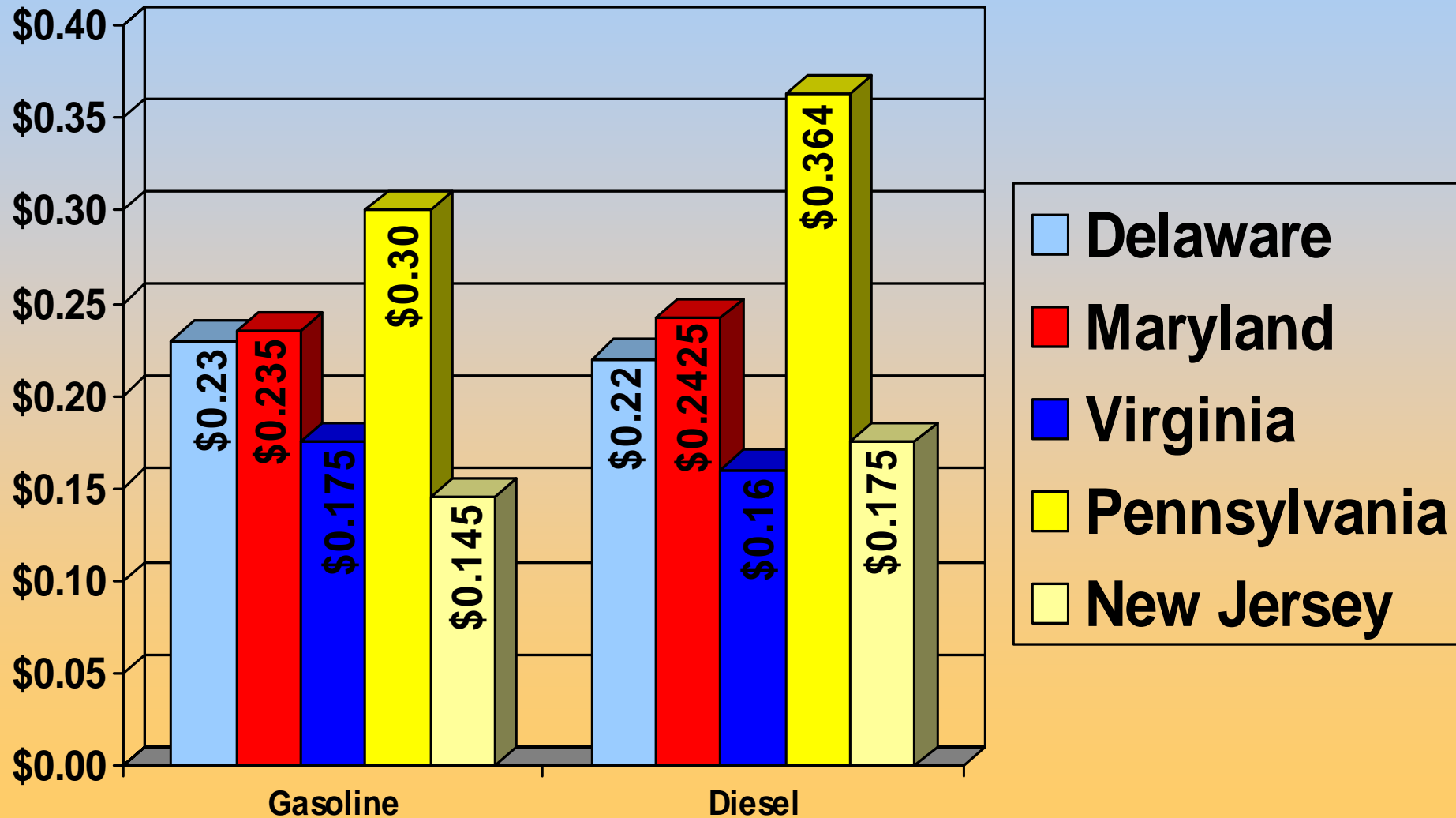


# Driving Records Cost Per Request



# Fuel Taxes

## Tax Per Gallon



# Borrowing Capabilities with Suburban Street Funds

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If the Suburban Street Funds were dedicated to paying debt service, it could support the following:

FY 06 – 62 legislators + \$250,000 each = \$15.5 million  
That yields \$206 million in bonds

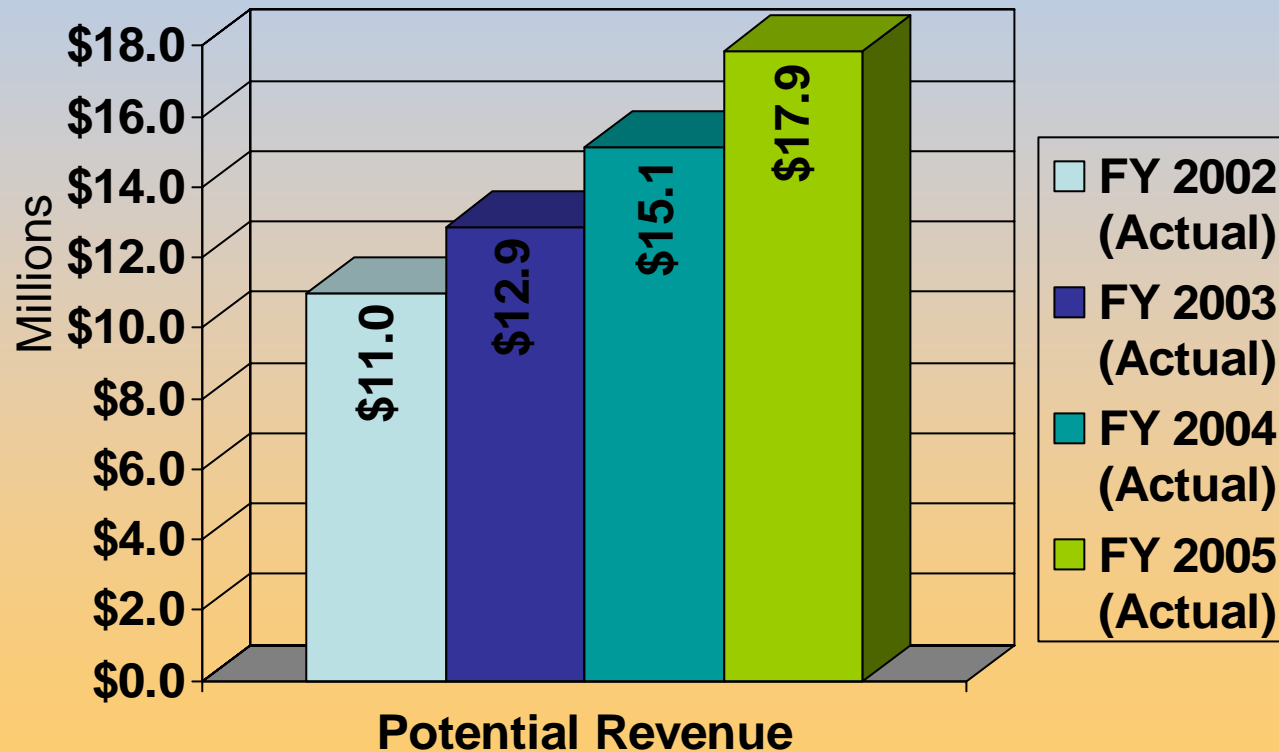
FY 05 – 62 legislators + \$300,000 each = \$18.6 million  
That yields \$247 million in bonds

Note:

This analysis is based upon interest rate assumptions of 4.26% and a term of 20 years.

# Estimated Revenue from Building Permit Fees for Sussex County

If the State were to charge a 2.5% fee based upon construction value and dedicate that revenue to the county in which it was collected for roadway improvements it could have generated:



\*Based upon FY 2005 figures, that revenue would be sufficient to cover the debt service on more than \$237 million in state bonds.

# State Bond Options for Road Improvements

<b>Bond Amount</b>	<b>Assumed Interest Rate</b>	<b>Bond Term (Years)</b>	<b>Annual Debt Service Cost</b>
<b>\$ 250,000,000</b>	<b>4.25%</b>	<b>20</b>	<b>\$ 18,804,959</b>
<b>\$ 250,000,000</b>	<b>4.50%</b>	<b>30</b>	<b>\$ 15,347,886</b>
<b>\$ 250,000,000</b>	<b>5.00%</b>	<b>40</b>	<b>\$ 14,569,540</b>

Note:

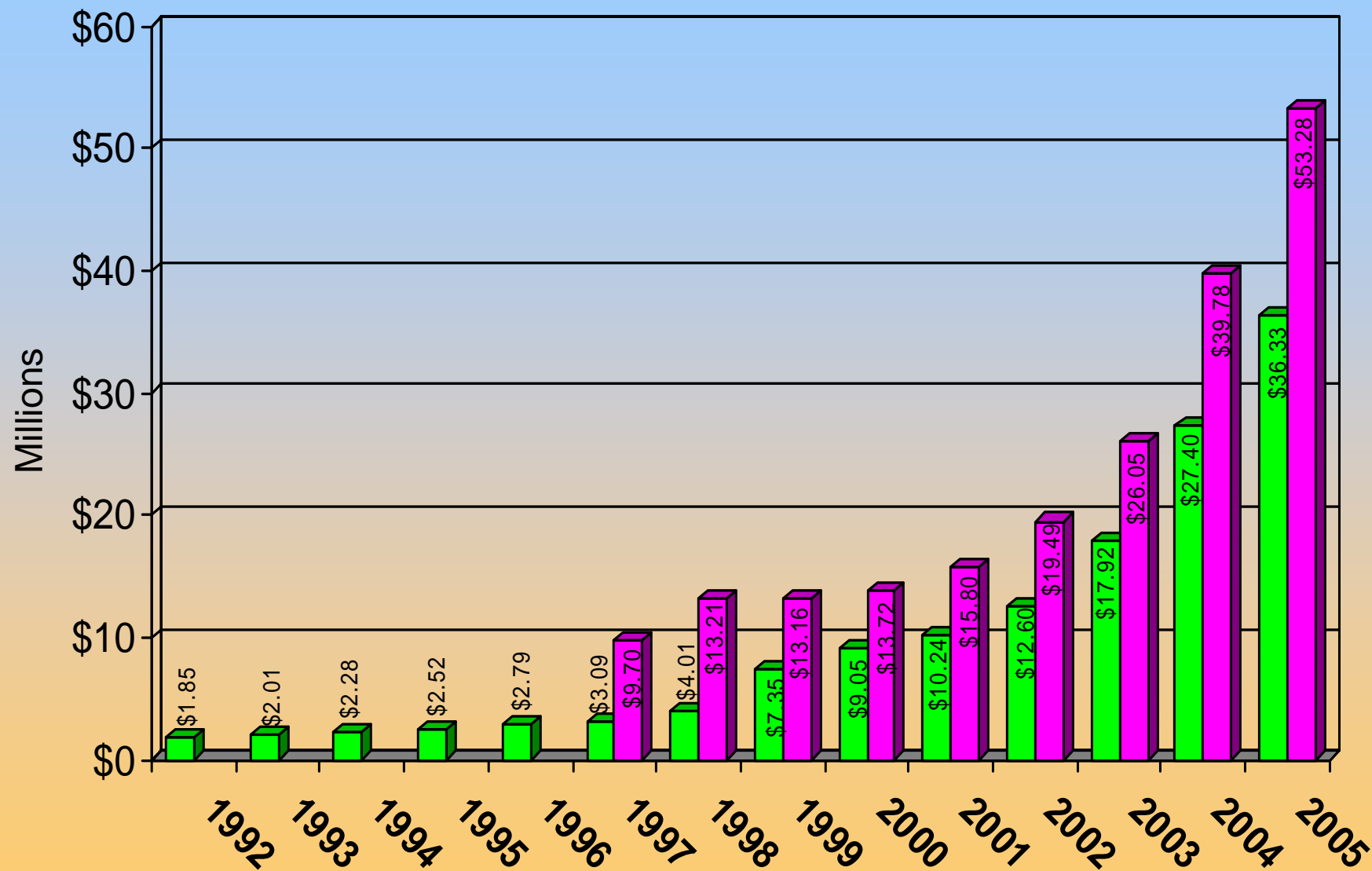
This analysis is based upon interest rate assumptions and that the bonds will be amortized with equal annual payments of interest and principal over the life of the bond issue.

# Transportation Development District Financing

- Special property tax could be charged for new development to cover the cost of bond debt service for transportation improvements for affected, off-site roadways.
- The State could sell bonds for those off-site transportation costs that are the result of the new development.
- Counties would charge a special tax for these newly developed properties over a 20-year period to pay the debt service on those transportation bonds.



# Sussex County Transfer Tax Revenue



■ Sussex ■ State of Delaware

\* Information provided by Sussex County Recorder of Deeds, County Finance Office

# Considerations

- Delaware should evaluate its various DMV rates relative to surrounding states, and bring them more in line with the cost to provide these services.
  - If drivers license fees were increased to equal Maryland and New Jersey, it would generate approximately \$2.1 million more a year; if raised to match Pennsylvania, that figure would be \$2.4 million a year.
  - If vehicle registrations were raised by just \$1 more a month, it would generate approximately \$9.6 million more annually.
  - Increasing vehicle registrations and drivers license fees as mentioned would support adequate debt service to cover \$155 million over 20 years.
  - The state should examine the possibility of fee-based inspections as another means of revenue. This would bring Delaware more in line with the practices of surrounding states.
  - The state should investigate the possibility of privatizing auto inspections and emissions testing.
- The state should investigate privatizing toll roads and bridges.
- The state should investigate additional toll roads and bridges.